

ANNUAL REPORT
of the
**DETROIT AND MACKINAC
RAILWAY COMPANY**



FOR THE FISCAL YEAR ENDING DECEMBER 31st

1929

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DETROIT AND MACKINAC RAILWAY COMPANY

DIRECTORS AND OFFICERS

BOARD OF DIRECTORS

HENRY K. McHARG.....	Ridgefield, Conn.
HENRY K. McHARG, Jr.....	East Tawas, Michigan
DAVID H. PIERSON.....	New York, N. Y.
JAMES BROWN MABON.....	New York, N. Y.
JAMES McNEIL	New York, N. Y.

OFFICERS

HENRY K. McHARG, <i>President</i>	Ridgefield, Conn.
JAMES McNEIL, <i>Secretary-Treasurer</i>	New York, N. Y.
HENRY K. McHARG, JR., <i>Vice-President and General Manager</i>	East Tawas, Michigan
JOHN McCRAY, <i>Second Vice-President and Auditor</i>	East Tawas, Michigan
P. RICHARDSON, <i>Asst. Treas., Asst. Secy. and Purchasing Agent</i>	East Tawas, Michigan
A. S. MATTESON, <i>Traffic Manager</i>	Alpena, Michigan
C. A. PINKERTON, <i>General Superintendent</i>	East Tawas, Michigan
CARL R. HENRY, <i>General Attorney</i>	Alpena, Michigan
L. O. PETTYES, <i>Chief Engineer</i>	East Tawas, Michigan

FISCAL AND TRANSFER AGENTS

J. P. Morgan & Company.....	New York, N. Y.
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REGISTRAR OF STOCK

Central Hanover Bank and Trust Company.....	New York, N. Y.
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ANNUAL MEETING

The last Tuesday in April in each year is the date for Annual Meeting of Stockholders.

General Office (In Michigan).....	East Tawas, Michigan
General Office (Outside of Michigan).....	110 William Street, New York, N. Y.

COLEGROVE, MURPHY & ANGELL
CERTIFIED PUBLIC ACCOUNTANTS
LAFAYETTE BUILDING
DETROIT

ALBERT M. COLEGROVE, C. P. A.
HARRY L. MURPHY, C. P. A.
C. ROBERT ANGELL, C. P. A.
W. ALFRED DEBO, ATTORNEY

February 28, 1930.

Mr. John McCray,
Vice-President and Auditor,
Detroit and Mackinac Railway Company,
East Tawas, Michigan.

Dear Sir:

Pursuant to your request, we have made a cash audit of the accounts of the Detroit and Mackinac Railway Company for the year ended December 31, 1929, and herewith present statements showing the result of the operation of your company for the period under review.

We hereby certify that, according to the books and records, the attached Balance Sheet reflects the true financial condition of your company as at December 31, 1929, and the accompanying schedules are a correct expression of the results of your operations for the year ended on that date.

Respectfully,

COLEGROVE, MURPHY & ANGELL,

By Harry L. Murphy,
Certified Public Accountant.

HLM/B

REPORT OF THE PRESIDENT TO THE STOCKHOLDERS OF THE DETROIT AND MACKINAC RAILWAY COMPANY

New York, N. Y., February 25, 1930.

To the Stockholders of the Detroit and Mackinac Railway Company:

I regret to advise that our Gross Earnings show a decrease, as compared with 1928. For the first eight months of the year, our Gross Earnings increased \$21,586.83, with, approximately, twenty-seven miles less operating mileage; however, the general unsatisfactory business conditions in the Country for the last four months, in addition to the panic in Wall Street, caused our Gross to fall off materially for this period. Due to the improvements made in the past, a material reduction in Operating Expenses was achieved, so that (after deducting from our 1928 Net Income the amount charged for Depreciation in 1927, and ordered by the Interstate Commerce Commission to be taken as a Credit in 1928), our Net Income for 1929 shows an increase over the previous year.

Our Passenger Earnings have continued to decrease, owing to the good roads built by the State, and the increased use of automobiles:

In 1927 they were.....	\$166,964.96
In 1928 they were.....	142,066.34
In 1929 they were.....	125,169.19

In order to cut the cost of passenger service, we purchased during the year, two gas-electric rail cars, costing approximately \$100,000.00—the Company issuing notes at 6% for \$90,000.00, payable monthly for two years, the Company receiving par for same, without commission.

We laid the 800 tons of 90-lb. steel, remaining from the 3,000 tons purchased in 1928, so that our Main Line from Bay City to Alpena consists, at the present time, of the following number of miles, and weight of rail:

90 lbs.....	35.23 Miles
85 lbs.....	84.27 “
80 lbs.....	1.52 “
70 lbs.....	1.06 “

We ballasted approximately fifteen miles of track during the year, leaving about seven miles between Pinconning and Alpena, which we propose finishing during the present year.

During the year, we received authority from the Interstate Commerce Commission, and the Michigan Public Utilities Commission, to abandon the Rockport Branch, (approximately thirteen miles in length); also, about fourteen miles of our Hillman Branch.

At the time of writing this report, no decision has been received from the Interstate Commerce Commission on our request for authority to abandon our Rose City Branch, but we are hopeful of a favorable verdict.

The State Board of Assessors, recognizing our difficulties, upon the presentation of facts, reduced our valuation for taxable purposes \$325,000.00, for which we were very grateful.

Commending the faithful service, and loyalty of our employees, I am,

Yours very truly,

HENRY K. McHARG,

President.

DETROIT AND MACKINAC RAILWAY COMPANY
SECOND VICE-PRESIDENT AND AUDITOR'S OFFICE

East Tawas, Mich., Feb. 25, 1930.

HENRY K. McHARG, ESQ.,
President

Dear Sir:

I herewith submit statements of the General Accounts and tables showing the result of operations of the Detroit and Mackinac Railway Company for the fiscal year ending December 31st, 1929, as follows:

TABLE A—Condensed General Balance Sheet.

TABLE B—Income Account.

TABLE C—Particulars of Bonded Debt.

TABLE D—Comparative Financial Statement.

TABLE E—Earnings and Expense by years.

TABLE F—Operating Expenses.

TABLE G—Mileage.

TABLE H—Classification of Freight Tonnage, 1928 and 1929.

TABLE I—Statistics for years 1928 and 1929.

TABLE J—Equipment.

TABLE K—Spurs, Sidings and Branches taken up and built during year.

Respectfully,

JOHN McCRAY,
Second Vice-President and Auditor.

TABLE A

DETROIT AND MACKINAC RAILWAY COMPANY

CONDENSED GENERAL BALANCE SHEET AS OF DECEMBER 31, 1929, AND COMPARISON WITH
GENERAL BALANCE SHEET AS OF DECEMBER 31, 1928, SHOWING INCREASE OR DECREASE

ASSETS

	Items	Total	Increase	Decrease
Investments:				
Investment in Road and Equipment.....	\$7,529,650.05		\$ 33,238.53	
Miscellaneous Physical Property	193,262.66	\$7,722,912.71	17,875.05	
Current Assets:		344,777.37		
Cash	\$ 44,195.74			\$ 14,383.87
Special Deposits—J. P. Morgan Coupon Account.....	1,380.00		80.00	
Traffic and Car Service Balances Receivable.....	21,671.93			14,641.74
Net Balances Receivable from Agents and Conductors	10,837.34		1,482.14	
Miscellaneous Accounts Receivable	26,669.50			70,854.39
Material and Supplies	240,022.86			90,116.91
Equipment Salvage				200.00
Other Current Assets				
Deferred Assets:		567.54		
Working Fund Advances.....	\$ 567.54			
Unadjusted Debits:		30,429.07		
Insurance Premiums Paid in Advance.....	6,974.19		3,750.02	
Other Unadjusted Debits	23,454.88		1,990.92	
Total.....		\$8,098,686.69		\$131,780.25

TABLE A—(Continued)

LIABILITIES

Items	Total	Increase	Decrease
Capital Stock:	\$2,950,000.00		
Common Stock	\$2,000,000.00		
Preferred Stock	950,000.00		
Long Term Debt:	2,750,000.00		
First Lien Bonds.....	\$1,500,000.00		
Mortgage Bonds	\$1,750,000.00		
Held in Treasury	500,000.00		
Outstanding	1,250,000.00		
Current Liabilities:	259,990.49	\$ 80,625.00	\$ 262.38
Loans and Bills Payable.....	\$ 80,625.00		61,333.24
Traffic and Car Service Balances Payable.....	63,339.76		4,786.70
Audited Accounts and Wages Payable.....	101,457.81		
Miscellaneous Accounts Payable.....	4,021.25		
Interest Matured Unpaid.....	1,380.00	80.00	
Unmatured Interest Accrued.....	9,166.67		
Unadjusted Credits:	912,739.03		
Tax Liability	\$ 114,084.00		10,884.00
Accrued Depreciation—Road	133,576.04		157.23
Accrued Depreciation—Equipment	646,893.78		19,685.60
Other Unadjusted Credits	18,185.21		18,130.15
Corporate Surplus:	1,225,957.17	51,113.58	
Additions to Property through Income and Surplus.....	\$1,850,616.40		
Profit and Loss—Debit Balance.....	624,659.23		148,359.53
Total.....	\$8,098,686.69		\$131,780.25

TABLE B

DETROIT AND MACKINAC RAILWAY COMPANY

INCOME ACCOUNT DECEMBER 31, 1929, COMPARED WITH FISCAL YEAR ENDED DECEMBER 31, 1928

	1929	1928	Increase	Decrease
Freight	\$1,323,361.48	\$1,402,591.09		\$ 79,229.61
Passenger	125,169.19	142,066.34		16,897.15
Excess Baggage	1,106.80	1,464.46		357.66
Parlor and Chair Car	7.50	1,071.25		1,063.75
Mail	58,108.19	35,857.69	\$ 22,250.50	
Express	42,744.72	42,142.00	602.72	
Other Passenger Train	3,249.00	2,849.99	399.01	
Milk	19,572.44	25,670.61		6,098.17
Switching	2,519.14	4,883.82		2,364.68
Special Service Train	226.00	528.00		302.00
Station, Train and Boat Privileges	85.71	82.15	3.56	
Parcel Room	23.10	36.30		13.20
Storage—Freight	703.14	864.95		161.81
Storage—Baggage	3.92	12.24		8.32
Demurrage	3,397.00	2,224.00	1,173.00	
Rents of Buildings and Other Property	4,497.76	5,025.30		527.54
Miscellaneous	1,707.99	1,826.26		118.27
Joint Facilities—Cr.				
Joint Facilities—Dr.	181.14	453.62		272.48
Total Operating Revenues	\$1,586,301.94	\$1,668,742.83		\$ 82,440.89
OPERATING EXPENSES				
Maintenance of Way and Structures	\$ 401,076.74	\$ 324,102.51	\$ 76,974.23	
Maintenance of Equipment	337,380.72	322,663.60	14,717.12	

TABLE B—(Continued)

	1929	1928	Increase	Decrease
Traffic.....	\$ 26,479.15	\$ 24,220.41	\$ 2,258.74	
Transportation—Rail Line.....	483,633.84	537,529.20		\$ 53,895.36
General	75,073.91	70,649.62	4,424.29	
Transportation for Investment—Cr.	49,633.62	40,168.44	9,465.18	
Total Operating Expenses.....	\$1,274,010.74	\$1,238,996.90	\$ 35,013.84	
Net Operating Revenue	312,291.20	429,745.93		\$117,454.73
Railway Tax Accruals	103,237.43	130,616.03		27,378.60
Uncollectible Railway Revenues	172.13	1,483.29		1,311.16
Railway Operating Income	\$ 208,881.64	\$ 297,646.61		88,764.97
Income from Lease of Road.....	5,600.00	5,600.00		
Miscellaneous Non-operating Physical Property.....	13,589.31	11,050.99	\$ 2,538.32	
Income from Unfunded Securities and Accounts.....	1,295.03	2,353.13		\$ 1,058.10
Miscellaneous Income	3,507.51	1,817.26	1,690.25	
Equipment Rents—Credit Balance.....	16,012.40	38,580.76		22,568.36
Joint Facility Rents—Credit Balance.....	5,849.72	†6,139.04	11,988.76	
Total Income.....	\$ 254,735.61	\$ 350,909.71		\$ 96,174.10
Miscellaneous Tax Accruals	1,503.43	1,562.52		59.09
Interest on Funded Debt	110,000.00	110,000.00		
Interest on Unfunded Debt	4,540.92	5,305.45		764.53
Miscellaneous Income Charges.....	1,897.70	298.45	\$ 1,599.25	
Income Appropriated for Investment in Physical Property	50,945.58	†64,080.46	115,026.04	
Income Balance Transferred to Profit and Loss.....	\$ 85,847.98	\$ 297,823.75		\$211,975.77
†Credit.				

TABLE B—(Continued)

DETROIT AND MACKINAC RAILWAY COMPANY

PROFIT AND LOSS ACCOUNTS

Debit Balance, January 1, 1929.....	\$476,299.70	\$
Credit Balance Transferred from Income.....		85,847.98
Miscellaneous Credits		1,863.81
Loss on Retired Road and Equipment.....	235,311.77	
Miscellaneous Debits	759.55	
Debit Balance Carried to Balance Sheet.....		624,659.23
	<u>\$712,371.02</u>	<u>\$712,371.02</u>

TABLE C

PARTICULARS OF BONDED DEBT

Class of Bonds	Amount Outstanding	INTEREST		Interest Accrued During Year	Principal Due
		Rate	When Payable		
First Lien	\$1,500,000.00	4 %	June and December	\$ 60,000.00	June 1, 1995
Mort.	1,250,000.00	4 %	June and December	50,000.00	June 1, 1995
	<u>\$2,750,000.00</u>			<u>\$110,000.00</u>	

TABLE D

DETROIT AND MACKINAC RAILWAY COMPANY

COMPARATIVE FINANCIAL STATEMENT

CURRENT ASSETS	Dec. 31, 1927	Dec. 31, 1928	Dec. 31, 1929
Cash	\$ 116,078.07	\$ 58,579.61	\$ 44,195.74
Special Funds	1,520.00	1,300.00	1,380.00
Due from Station Agents and Others	47,269.64	106,879.09	37,506.84
Material and Supplies	288,869.82	330,339.77	240,022.86
Prepaid and Deferred Charges.....	6,388.19	3,791.71	7,541.73
Other Unadjusted Debits.....	13,540.33	21,463.96	23,454.88
Totals.....	\$ 473,666.05	\$ 522,354.14	\$ 354,102.05
LESS CURRENT LIABILITIES			
Audited Vouchers and Pay Rolls.....	\$ 84,067.79	\$ 162,791.05	\$ 101,457.81
Notes Payable	70,000.00		80,625.00
Accrued Taxes, Interest and Traffic Balances	129,567.90	171,531.09	170,319.75
Totals.....	\$ 283,635.69	\$ 334,322.14	\$ 352,402.56
Net Assets	\$ 190,030.36	\$ 188,032.00	\$ 1,699.49
CAPITAL ASSETS			
Cost of Road	\$6,508,662.01	\$6,488,140.87	\$6,417,366.55
Cost of Equipment	1,057,816.04	1,008,270.65	1,112,283.50
Miscellaneous Physical Property	169,401.54	175,387.61	193,262.66
Totals.....	\$7,735,879.59	\$7,671,799.13	\$7,722,912.71
REPRESENTING			
Bonds Issued—First Lien.....	\$1,500,000.00	\$1,500,000.00	\$1,500,000.00
Bonds Issued—Mortgage	1,250,000.00	1,250,000.00	1,250,000.00
Stock Issued—Common	2,000,000.00	2,000,000.00	2,000,000.00
Stock Issued—Preferred	950,000.00	950,000.00	950,000.00
Reserves	958,345.85	800,312.65	780,469.82
Other Unadjusted Credits	24,256.87	36,315.36	18,185.21
Additions to Property Through Income and Surplus	1,863,583.28	1,799,502.82	1,850,616.40
Surplus	*620,276.05	*476,299.70	*624,659.23
Totals.....	\$7,925,909.95	\$7,859,831.13	\$7,724,612.20

*Deficit.

TABLE E

DETROIT AND MACKINAC RAILWAY COMPANY

REVENUES AND EXPENSES BY YEARS

REVENUE	1925 Amount	Per Cent.	1926 Amount	Per Cent.	1927 Amount	Per Cent.	1928 Amount	Per Cent.	1929 Amount	Per Cent.
Freight.....	\$1,274,247.79	75.08	\$1,228,783.80	75.57	\$1,316,787.95	80.96	\$1,402,591.09	84.05	\$1,323,361.48	83.42
Passenger.....	257,104.23	15.15	234,977.22	14.45	166,964.96	10.26	142,066.34	8.51	125,169.19	7.89
Mail.....	45,478.36	2.68	42,050.45	2.59	37,353.21	2.30	35,857.69	2.15	58,108.19	3.66
Express.....	56,234.73	3.31	57,885.98	3.56	51,943.95	3.19	42,142.00	2.53	42,744.72	2.70
Milk.....	29,234.13	1.72	29,090.53	1.79	25,588.33	1.58	25,670.61	1.54	19,572.44	1.23
Other Sources.....	34,884.79	2.06	33,162.16	2.04	27,749.87	1.71	20,415.10	1.22	17,345.92	1.10
Total.....	\$1,697,184.03	100 %	\$1,625,950.14	100 %	\$1,626,388.27	100 %	\$1,668,742.83	100 %	\$1,586,301.94	100 %
EXPENSES										
Maint. Way and Structures.....	342,094.96	22.69	335,218.61	23.15	488,688.91	35.02	324,102.51	26.16	401,076.74	31.48
Maintenance Equipment.....	449,123.85	29.78	424,608.61	29.32	315,549.29	22.62	322,663.60	26.05	337,380.72	26.48
Traffic.....	24,490.55	1.62	22,762.01	1.57	24,674.72	1.76	24,220.41	1.94	26,479.15	2.08
Transportation.....	650,062.83	43.11	597,615.25	41.26	556,211.60	39.85	537,529.20	43.39	483,633.84	37.97
General.....	66,003.81	4.38	69,483.51	4.79	65,552.59	4.69	70,649.62	5.70	75,073.91	5.89
Transportation for Invest- ment—Cr.....	23,903.59	1.58	1,357.10	.09	54,997.07	3.94	40,168.44	3.24	49,633.62	3.90
Total.....	\$1,507,872.41	100 %	\$1,448,330.89	100 %	\$1,395,680.04	100 %	\$1,238,996.90	100 %	\$1,274,010.74	100 %
Net Earnings.....	189,311.62	11.15	177,619.25	10.92	230,708.23	14.18	429,745.93	25.75	312,291.20	19.68
Taxes.....	121,804.29	7.17	112,759.60	6.93	121,621.29	7.48	130,616.03	7.83	103,237.43	6.51
Net Earnings, less Taxes.....	67,507.33	3.98	64,859.65	3.99	109,086.94	6.71	299,129.90	17.93	209,053.77	13.18

TABLE F

DETROIT AND MACKINAC RAILWAY COMPANY

OPERATING EXPENSES

1929 COMPARED WITH 1928

MAINTENANCE OF WAY AND STRUCTURES

	Amount	Increase	Decrease
Superintendence	\$ 33,745.89	\$	\$ 1,165.37
Roadway Maintenance	10,138.99	3,870.63	
Bridges, Trestles and Culverts.....	4,696.97	1,715.04	
Bridges, Trestles and Culverts—Depreciation..		7,834.14	
Ties	70,543.17		43,200.67
Ties—Depreciation		24,818.41	
Rails	25,443.50		33,427.04
Rails—Depreciation		45,220.54	
Other Track Material	46,463.26		2,602.37
Other Track Material—Depreciation.....		19,596.48	
Ballast	3,527.32		4,081.81
Ballast—Depreciation		10,045.13	
Track Laying and Surfacing.....	147,332.40	9,180.31	
Right-of-Way Fences	1,939.32	133.66	
Right-of-Way Fences—Depreciation		5,322.95	
Snow and Sand Fences and Snowsheds—Depr'n		79.30	
Crossings and Signs	4,331.81	1,174.45	
Crossings and Signs—Depreciation		2,205.00	
Station and Office Buildings.....	6,354.20	3,183.20	
Station and Office Buildings—Depreciation		7,590.07	
Roadway Buildings	2,046.52	977.18	
Roadway Buildings—Depreciation		1,436.61	
Water Stations	891.24		16.44
Water Stations—Depreciation		1,839.63	
Fuel Stations	169.58		87.61
Fuel Stations—Depreciation		864.66	
Shops and Enginehouses	3,077.73		2,996.38
Shops and Enginehouses—Depreciation		4,897.05	
Wharves and Docks			3.55
Coal and Ore Wharves.....			165.91
Coal and Ore Wharves—Depreciation.....		300.51	
Telegraph and Telephone Lines.....	8,177.96	5,943.29	
Telegraph and Telephone Lines—Depreciation..		1,979.01	
Signals and Interlockers	112.05		14.28
Power Distribution Systems	20.80	20.80	
Power Line Poles and Fixtures.....	27.49	27.49	
Roadway Machines	7,076.94		3,136.67
Roadway Machines—Depreciation		2,485.78	
Small Tools and Supplies	6,769.35	735.78	
Removing Snow, Ice and Sand.....	13,823.43	5,155.95	
Injuries to Persons	2,129.85	564.63	
Insurance	1,613.70		8.46
Stationery and Printing	610.02		292.99
Other Expenses	225.50	225.50	
Maintaining Joint Tracks, Yards and Other			
Facilities—Dr.	50.63		2,292.89
Maintaining Joint Tracks, Yards and Other			
Facilities—Cr.	262.88		1,043.49
Total.....	\$ 401,076.74	\$76,974.23	

TABLE F—(Continued)
MAINTENANCE OF EQUIPMENT

	Amount	Increase	Decrease
Superintendence	\$ 16,990.33	\$ 2,173.06	\$
Shop Machinery	2,002.65	113.40	
Shop Machinery—Depreciation		6,564.18	
Steam Locomotives—Repairs	90,118.18		14,549.97
Steam Locomotives—Depreciation			13,905.22
Steam Locomotives—Retirements	12,924.84		3,169.77
Other Locomotives—Repairs	94.93	94.93	
Other Locomotives—Depreciation	986.60	986.60	
Freight Train Cars—Repairs	178,965.63	39,272.05	
Freight Train Cars—Retirements	†11,612.58		6,963.74
Passenger Train Cars—Repairs	29,497.75	2,771.08	
Passenger Train Cars—Depreciation	1,241.40	1,241.40	
Motor Equipment of Cars—Repairs	1,580.86	1,580.86	
Motor Equipment of Cars—Depreciation	3,724.32	3,724.32	
Work Equipment—Repairs	8,391.34	2,508.28	
Work Equipment—Depreciation			4,308.49
Work Equipment—Retirements	†1,148.14		4,224.28
Miscellaneous Equipment—Repairs	265.95	138.65	
Miscellaneous Equipment—Depreciation	316.55		76.65
Injuries to Persons	1,976.63	153.19	
Insurance	543.73	211.96	
Stationery and Printing	801.31		173.63
Other Expenses	289.67	289.67	
Maintaining Joint Equipment at Terminals—Dr.	129.18	43.54	
Maintaining Joint Equipment at Terminals—Cr.	700.41		221.70
Total	\$ 337,380.72	\$ 14,717.12	

TRAFFIC

Superintendence	\$ 14,372.75	\$ 1,298.78	\$
Outside Agencies	3,518.85	783.86	
Advertising	321.44		44.59
Traffic Associations	2,707.12	499.52	
Industrial and Immigration Bureaus	406.74	406.74	
Insurance	5.20		.56
Stationery and Printing	5,147.05		685.01
Total	\$ 26,479.15	\$ 2,258.74	

TRANSPORTATION—RAIL LINE

Superintendence	\$ 26,130.51	\$	\$ 555.37
Dispatching Trains	10,429.83	154.84	
Station Employees	80,987.16		4,430.97
Weighing, Inspection and Demurrage Bureaus	572.34		98.06
Station Supplies and Expenses	4,628.04	209.10	
Yardmasters and Yard Clerks	10,870.40		415.04
Yard Conductors and Brakemen	23,117.47	929.84	
Yard Enginemen	19,485.07		287.57
Fuel for Yard Locomotives	18,580.45		735.27
Water for Yard Locomotives	1,020.88		258.39
Lubricants for Yard Locomotives	365.32		63.75

†Credit.

TABLE F—(Continued)

	Amount	Increase	Decrease
Other Supplies for Yard Locomotives.....	\$ 146.96	\$ 38.72	\$
Enginehouse Expenses—Yard	6,501.49	959.07	
Yard Supplies and Expenses.....	430.23	93.49	
Train Enginemen	52,717.41		6,736.53
Train Motormen	3,628.36	3,628.36	
Fuel for Train Locomotives.....	77,696.18		22,376.68
Water for Train Locomotives.....	3,671.73		1,024.41
Lubricants for Train Locomotives.....	1,801.92		701.36
Other Supplies for Train Locomotives.....	637.70		26.75
Enginehouse Expenses—Train	27,608.75		2,501.76
Trainmen	59,976.24		4,282.65
Train Supplies and Expenses.....	30,216.92	1,740.00	
Crossing Protection	207.27	95.19	
Drawbridge Operation	3,091.64		82.16
Telegraph and Telephone Operation.....	3,180.61	1,457.41	
Stationery and Printing	5,069.61	144.34	
Other Expenses	799.64		221.26
Insurance	361.56		95.04
Clearing Wrecks	4,192.50		665.53
Damage to Property	286.38		361.70
Damage to Live Stock on Right of Way.....	150.73	31.83	
Loss and Damage—Freight	5,424.73		4,663.56
Loss and Damage—Baggage	11.55	11.20	
Injuries to Persons	2,624.70	434.59	
Operating Joint Yards and Terminals—Dr.....	6,431.33		14,859.44
Operating Joint Yards and Terminals—Cr.....	8,671.06		1,190.49
Operating Joint Tracks and Facilities—Dr.....	648.58		9.04
Operating Joint Tracks and Facilities—Cr.....	1,397.29		438.46
Total.....	\$ 483,633.84		\$53,895.36

GENERAL

Salaries and Expenses of General Officers.....	\$ 9,266.44	\$	\$ 2,059.86
Salaries and Expenses of Clerks and Attendants.....	36,969.37	1,526.50	
General Office Supplies and Expenses.....	2,062.68	362.15	
Law Expenses	10,232.11	14.28	
Insurance	47.82		77.37
Pensions	7,976.42		473.58
Stationery and Printing	3,397.12	581.82	
Valuation Expenses	4,377.40	4,377.40	
Other Expenses	744.55	172.95	
Total.....	\$ 75,073.91	\$ 4,424.29	

SUMMARY

Maintenance of Way and Structures.....	\$ 401,076.74	\$76,974.23	\$
Maintenance of Equipment	337,380.72	14,717.12	
Traffic	26,479.15	2,258.74	
Transportation—Rail Line	483,633.84		53,895.36
General	75,073.91	4,424.29	
Transportation for Investment—Cr.	49,633.62	9,465.18	
Total Operating Expenses.....	\$1,274,010.74	\$35,013.84	

TABLE G

DETROIT AND MACKINAC RAILWAY COMPANY

STATEMENT OF MILEAGE, DECEMBER 31, 1929

MAIN LINE

North Bay City to Cheboygan.....	195.43
One-half Undivided Ownership—Foss to North Bay City.....	.24

BRANCHES

Omer to Au Gres.....	7.97
National City to Prescott	12.17
National City to Rose City.....	31.22
Alabaster Junction to Alabaster.....	4.27
Hillman Junction to Emerson.....	10.38
Rogers City Junction to Rogers City.....	14.40
<hr/>	
Total	80.41
Total Main Line and Branches.....	276.08
Yard Tracks and Sidings.....	80.87
<hr/>	
Total, all tracks (Miles).....	356.95

TABLE H

DETROIT AND MACKINAC RAILWAY COMPANY

CLASSIFICATION OF FREIGHT TONNAGE

Products of Agriculture:	1929 Tons	Per Cent.	1928 Tons	Per Cent.
Grain	2,914	.3	3,682	.3
Flour	2,724	.2	2,859	.2
Other mill products	2,992	.3	2,321	.2
Hay and straw	1,311	.1	281	.....
Potatoes	10,413	.9	10,190	.8
Dried fruits and vegetables.....	10,137	.9	10,056	.8
Other products of agriculture.....	3,600	.3	10,057	.8
<hr/>		3.0	<hr/>	
Total.....	34,091		39,446	3.1

TABLE H—(Continued)

Animals and Products:	1929 Tons	Per Cent.	1928 Tons	Per Cent.
Live Stock	5,645	.5	5,439	.4
Wool	319	.....	189	.....
Hides and Leather	1,716	.1	1,273	.1
Other animals and products.....	217	.....	563	.....
Total.....	7,897	.6	7,464	.5
Products of Mines:				
Anthracite coal	1,431	.1	582	—
Bituminous coal	76,830	6.5	60,778	4.7
Coke	2,566	.2	2,972	.2
Clay, gravel, sand and stone.....	523,880	44.1	638,930	49.1
Other products of mines.....	2,639	.2	2,921	.2
Total.....	607,346	51.1	706,183	54.2
Products of Forest:				
Pulp wood	32,958	2.8	40,035	3.1
Lumber	36,270	3.1	48,828	3.8
Other products of forests.....	26,716	2.3	22,919	1.8
Total.....	95,944	8.2	111,782	8.7
Manufactures and Miscellaneous:				
Refined petroleum and its products.....	29,298	2.5	27,833	2.1
Sugar	3,859	.3	1,108	.1
Iron, pig and bloom.....	203	.....	409	.....
Rails and fastenings	1,274	.1	1,254	.1
Bar and sheet iron, structural iron, and iron pipe	7,081	.6	3,875	.3
Castings, machinery and boilers.....	4,124	.3	3,437	.3
Cement	79,129	6.7	115,748	8.9
Brick and artificial stone.....	5,119	.4	2,819	.2
Lime and plaster	153,457	12.9	167,059	12.8
Agricultural implements	243	.....	463	.....
Automobiles and auto trucks.....	164	.....	31	.....
Household goods and furniture.....	21	.....	79	.....
Beverages	142	.....	95	.....
Fertilizers (all kinds)	1,611	.1	1,079	.1
Chemicals and explosives	2,001	.2	1,583	.1
Canned goods (all canned food products)	462	.....	1,006	.1
Other manufactures and miscellaneous..	127,192	10.7	79,004	6.1
Total.....	415,380	34.8	406,882	31.2
All L. C. L. freight.....	27,732	2.3	29,889	2.3
Grand Total, Carload and L. C. L. Traffic	1,188,390	100 %	1,301,646	100 %

TABLE I

DETROIT AND MACKINAC RAILWAY COMPANY

FREIGHT STATISTICS

	1929	1928
Number tons revenue freight carried.....	1,188,390	1,301,646
Number tons non-revenue freight carried....	205,628	125,105
Total number tons of freight carried.....	1,394,018	1,426,751
Number revenue tons carried one mile.....	91,091,596	96,862,282
Number all tons carried one mile.....	104,201,000	107,480,000
Number revenue tons carried one mile, per mile of road	319,530	315,574
Number tons all freight carried one mile, per mile of road.....	365,515	350,166
Average distance haul of one ton revenue freight (miles)	74.93	74.41
Average distance haul of one ton all freight (miles)	75.05	75.33
Total freight revenue	\$1,323,361.48	\$1,402,591.09
Average amount received for each ton of freight	1.08847	1.07751
Average receipts, per ton, per mile.....	.01453	.01448
Freight revenue, per mile of road.....	4,642.07	4,569.59
Freight revenue, per train mile.....	6.07	6.13
Average number of revenue tons per train mile	417.94	423.07
Average number of all tons, per train mile....	478.08	469.44
Average number of all tons, per loaded car mile	29.18	28.77
Average number of cars, per train mile.....	29.2	27.9

PASSENGER STATISTICS

Number of passengers carried.....	53,566	60,150
Number of passengers carried one mile.....	3,497,000	3,988,000
Number of passengers carried one mile, per mile of road	12,267	12,993
Average distance each passenger carried (miles)	65.28	66.30
Passenger revenue	\$ 125,169.19	\$ 142,066.34
Average amount received from each pas- senger	2,336	2,361
Average receipts, per passenger, per mile....	.03579	.03562
Total passenger train earnings.....	249,957.84	251,122.34
Passenger earnings, per mile of road.....	876.80	818.15
Passenger earnings, per train mile.....	1.22	1.35
Average number of passengers, per train mile	17.13	21.40

OPERATING STATISTICS

Gross revenue from operation.....	\$1,586,301.94	\$1,668,742.83
Gross revenue from operation, per mile of road	5,564.41	5,436.71
Operating expenses	1,274,010.74	1,238,996.90
Operating expenses, per mile of road.....	4,468.97	4,036.61
Operating expenses, per train mile.....	3.02	2.98
Net operating revenues	312,291.20	429,745.93
Net operating revenues, per mile of road.....	1,095.45	1,400.10
Ratio of expenses to earnings.....	80.31	74.25

TABLE J

DETROIT AND MACKINAC RAILWAY COMPANY

EQUIPMENT

Locomotives:	1928	1929
Passenger	10	6
Freight	10	12
Switching	5	6
Totals	25	24
Passenger Cars:		
Coaches	14	13
Cafe	1	1
Parlor	2	2
Gas Electric Combination Passenger, Baggage and Mail .....	....	2
Combination Passenger and Mail	1	1
Combination Passenger and Baggage	5	4
Combination Baggage and Mail	3	2
Baggage and Express Cars	9	12
Express Refrigerators	3	3
Totals	38	40
Freight Cars:		
Refrigerator	6	6
Box	501	457
Coal Hopper—Wood	48	47
Coal Hopper—Steel .....	....	5
Flat	116	115
Stock	72	71
Gondolas	340	331
Totals	1,083	1,032
In Company's Service:		
Officers	1	1
Ballast Cars .....	....	6
Derrick Cars	2	1
Caboose Cars	11	11
Flangers	11	11
Snow Plow	1	1
Jordan Spreader	1	1
Industrial Crane	1	1
Other Road Cars	54	44
Totals	82	77
Summary:		
Total Number of Locomotives Owned	25	24
Total Number of Cars Owned	1,203	1,149

TABLE K
STATEMENT OF TRACKS BUILT AND TAKEN UP DURING
YEAR 1929
TRACKS BUILT

Track Order	Location	Miles	Feet
1636 Siding No. 29-B.....	Big Cut		495
1642 Siding No. 12	Alpena		743.5
1643 Siding No. 12-A	Alpena		325
1644 Spur No. 143—Beebe Spur.....	Beebe Spur		824.5
1648 Extend Siding No. 46-A.....	Big Cut		552
1649 Extend Scale Track	Big Cut		780
1652 Extend Siding	Big Cut		720
1653 Extend Siding No. 46-B.....	Big Cut		525
1651 Extend Siding No. 136.....	Black River		529
1654 Open Siding on National Gypsum Spur.....	National City	1,745	
1685 Extend Siding No. 68—Alpena Yard.....	Alpena		130
1595 Siding No. 8—Alpena Yard.....	Alpena		3,786.4
1595 Siding No. 9—Alpena Yard.....	Alpena		3,708.1
1595 Siding No. 11—Alpena Yard.....	Alpena		3,435.5
1595 Siding No. 12—Alpena Yard.....	Alpena		821.6
1595 Cross over Track No. 1—Alpena Yard.....	Alpena		207
1595 Cross over Track No. 2—Alpena Yard.....	Alpena		155.5
1595 Cross over Track No. 3—Alpena Yard.....	Alpena		204
1657 Part of Main Line, Rockport Branch, left in as Track No. 56—Alpena Yard.....	Alpena	23,792.5	
1657 Siding on above track.....	Alpena		222
Total		8	1,461.6

TRACKS TAKEN UP

Track Order	Location	Miles	Feet
ROCKPORT BRANCH—			
1657 Main Line		13	4,752
1657 Sidings			4,224
PART OF HILLMAN BRANCH—			
1656 Main Line		12	5,121.6
1656 Sidings		2	3,326.4
1635 Track No. 28-A	Big Cut		188
1638 Track No. 84—Alpena Yard.....	Alpena		124
1640 Track No. 67	Omer	1,975	
1641 Spur Track to Huron Industries.....	Alpena		640
1639 Beebe Spur Track No. 143.....	Beebe Spur		768
1650 Track No. 137.....	Black River		833
1665 Part of Track No. 234.....	Cheboygan		650
1666 Track No. 240	Cheboygan		412
1667 Back end of Track No. 245.....	Cheboygan		1,065
1668 Track No. 249	Cheboygan		1,208
1669 Track No. 252	Cheboygan		263
1670 Back end of Track No. 254.....	Cheboygan		168

TABLE K—(Continued)

1671	Track No. 0	Cheboygan	550
1672	Track No. 244	Cheboygan	214
1678	Track No. 235	Cheboygan	97
1674	Track No. 65	Alpena	2,269
1675	Track No. 66	Alpena	2,026
1676	Track No. 67	Alpena	2,009
1689	Spur Track	Au Gres	1,316
Total			33 2,519

SUMMARY

Tracks Taken Up.....	Miles 33.47
Tracks Built	8.27
Net Decrease.....	25.20

